

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

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In re:	)	Chapter 11
	)	
<b>W.R. GRACE &amp; CO., et al.</b>	)	<b>Case No. 01-1139 (JKF)</b>
	)	
<b>Debtors.</b>	)	Objection Deadline: February 29, 2008 at 4:00 p.m.
	)	Hearing: March 17, 2008 at 1:00 p.m.

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**COVER SHEET TO SEVENTH QUARTERLY APPLICATION OF  
ORRICK, HERRINGTON & SUTCLIFFE LLP, BANKRUPTCY COUNSEL  
TO DAVID T. AUSTERN, FUTURE CLAIMANTS' REPRESENTATIVE FOR  
COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD  
JULY 1, 2007 THROUGH SEPTEMBER 30, 2007**

Name of Applicant: Orrick, Herrington & Sutcliffe LLP

Authorized to Provide Professional Services to: David T. Austern, Future Claimants' Representative (the "FCR")

Date of Retention: As of February 6, 2006 (pursuant to this Court's Order entered May 8, 2006)

Period for which compensation is sought: July 1, 2007 through September 30, 2007

Amount of Compensation (100%) sought as actual, reasonable, and necessary: \$1,318,928.25

Amount of Expense Reimbursement sought as actual, reasonable and necessary: \$ 506,330.27

This is an: X interim — monthly — final application.

### **PRIOR APPLICATIONS FILED**

Orrick was retained effective February 6, 2006, pursuant to this Court's Order entered May 8, 2006. Orrick has previously filed the following quarterly fee applications:

- a. First Quarterly Fee Application for the time period February 6, 2006 through March 31, 2006 in the amount of \$206,292.25 in fees and \$7,501.32 in expenses, for a total of \$213,793.57.
- b. Second Quarterly Fee Application for the time period April 1, 2006 through June 30, 2006 in the amount of \$456,045.25 in fees and \$14,568.92 in expenses, for a total of \$470,614.17.
- c. Third Quarterly Fee Application for the time period July 1, 2006 through September 30, 2006 in the amount of \$558,019.75 in fees and \$25,651.67 in expenses, for a total of \$583,671.42
- d. Fourth Quarterly Fee Application for the time period October 1, 2006 through December 31, 2007 in the amount of \$841,070.00 in fees and \$98,378.95 in expenses, for a total of \$ 939,448.95.
- e. Fifth Quarterly Fee Application for the time period January 1, 2007 through March 31, 2007 in the amount of \$1,098.668.00 in fees and \$57,670.14 in expenses, for a total of \$1,156,338.14.
- f. Sixth Quarterly Fee Application for the time period April 1, 2007 through June 30, 2007 in the amount of \$1,021,931.50 in fees and \$168,071.15 in expenses for a total of \$1,190,002.65.

### **COMPENSATION SUMMARY** **JULY 1, 2007 THROUGH SEPTEMBER 30, 2007**

<u>Name of Professional Person</u>	<u>Position of Applicant, No. of Years in Position, Prior Relevant Experience, Yr. Obtained License to Practice, Area of Expertise</u>	<u>Hourly Billing Rate</u>	<u>Total Billed Hours</u>	<u>Total Fees</u>
John Ansbro	Partner, 3 years in position; 12 years relevant experience; 1995, Litigation	\$625	419.10	\$260,125.00 <sup>1</sup>
Roger Frankel	Partner, 24 years in position; 36 years relevant experience; 1971, Bankruptcy	\$770	195.70	\$148,340.50 <sup>2</sup>

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- 1 This amount reflects a reduction of \$718.75 (July 2007) and \$1,093.75 (August 2007) representing a 50% discount of hourly rates for non-working travel.
- 2 This amount reflects a reduction of \$693.00 (July 2007), \$770.00 (August 2007) and \$885.50 (September 2007) representing a 50% discount of hourly rates for non-working travel.

<u>Name of Professional Person</u>	<u>Position of Applicant, No. of Years in Position, Prior Relevant Experience, Yr. Obtained License to Practice, Area of Expertise</u>	<u>Hourly Billing Rate</u>	<u>Total Billed Hours</u>	<u>Total Fees</u>
Robert F. Lawrence	Partner, 10 years in position; 24 years relevant experience 1983, Environmental Law	\$650	5.30	\$3,445.00
Raymond G. Mullady, Jr.	Partner, 14 years in position; 24 years relevant experience; 1983, Litigation	\$695	272.00	\$187,997.50 <sup>3</sup>
Jay K. Musoff	Partner, 3 years in position; 14 years relevant experience 1993, Litigation	\$625	11.20	\$7,000.00
Garret G. Rasmussen	Partner, 25 years in position; 33 years relevant experience; 1974, Litigation	\$700	76.40	\$53,480.00
Clayton S. Reynolds	Partner, 20 years in position; 28 years relevant experience 1979, Tax	\$700	20.20	\$14,140.00
Richard H. Wyron	Partner, 18 years in position; 28 years relevant experience; 1979, Bankruptcy	\$700	79.20	\$54,390.00 <sup>4</sup>
Mary A. Wallace	Of Counsel, 5 years in position; 17 years relevant experience; 1989, Corporate	\$550	87.90	\$48,345.00
Joshua M. Cutler	Associate, 4 years in position; 4 years relevant experience; 2003, Litigation	\$430	46.10	\$17,673.00 <sup>5</sup>
Debra L. Felder	Associate, 5 years in position; 5 years relevant experience; 2002, Bankruptcy	\$465	382.20	\$176,676.75 <sup>6</sup>
Nicole M. Jones	Associate, 1 year in position; 1 year relevant experience; 2006, Litigation	\$270	141.00	\$38,070.00
Antony P. Kim	Associate, 4 years in position; 4 years relevant experience; 2003, Litigation	\$430	64.50	\$27,735.00
Katherine E. Maco	Law clerk, 1 month in position; 1 month relevant experience; NY bar admission pending, Litigation	\$270	10.30	\$2,781.00

3 This amount reflects a reduction of \$1,042.50 (September 2007) representing a 50% discount of hourly rates for non-working travel.

4 This amount reflects a reduction of \$1,050.00 (August 2007) representing a 50% discount of hourly rates for non-working travel.

5 This amount reflects a reduction of \$2,150.00 (September 2007) representing a 50% discount of hourly rates for non-working travel.

6 This amount reflects a reduction of \$1,046.20(August 2007) representing a 50% discount of hourly rates for non-working travel.

<u>Name of Professional Person</u>	<u>Position of Applicant, No. of Years in Position, Prior Relevant Experience, Yr. Obtained License to Practice, Area of Expertise</u>	<u>Hourly Billing Rate</u>	<u>Total Billed Hours</u>	<u>Total Fees</u>
Christopher O'Connell	Associate, 2 years in position; 3 years relevant experience; 2003, Litigation	\$390	18.70	\$7,293.00
Courtney M. Rogers	Associate, 1 month in position; 1 year relevant experience; 2006, Bankruptcy	\$270	22.10	\$5,967.00
Emily S. Somers	Associate, 1 year in position; 1 year relevant experience; 2006, Litigation	\$270	157.40	\$40,743.00 <sup>7</sup>
Evgenia Sorokina	Associate, 2 years in position; 4 years relevant experience; 2003, Corporate	\$270	2.50	\$675.00
Katherine S. Thomas	Associate, 3 years in position; 3 years relevant experience; 2004, Bankruptcy	\$390	24.30	\$9,477.00
Annie L. Weiss	Associate, 3 years in position; 3 years relevant experience; 2004, Litigation	\$390	142.10	\$54,444.00 <sup>8</sup>
Catharine L. Zurbrugg	Associate, 2 years in position; 2 years relevant experience; 2005, Litigation	\$355	293.90	\$103,269.50 <sup>9</sup>
Wilson Addo	Research Specialist	\$205	0.70	\$143.50
Rachael M. Barainca	Legal Assistant	\$150	164.60	\$24,690.00
James Cangialosi	Legal Assistant	\$235	90.50	\$21,267.50
Alan P. Dubin	Senior Research Specialist	\$205	1.10	\$225.50
Debra O. Fullem	Bankruptcy Research Specialist	\$225	30.10	\$6,772.50
Timothy J. Hoye	Practice Support Project Coordinator	\$195	1.90	\$370.50
Risa L. Mulligan	Research Coordinator	\$170	7.20	\$1,224.00
Logan West	Legal Assistant	\$85	25.50	\$2,167.50
<b>Total</b>			<b>2,793.70</b>	<b>\$1,318,928.25</b>
<b>Blended Rate: \$472.11</b>				

<sup>7</sup> This amount reflects a reduction of \$1,755.00 (September 2007) representing a 50% discount of hourly rates for non-working travel.

<sup>8</sup> This amount reflects a reduction of \$975.00 (September 2007) representing a 50% discount of hourly rates for non-working travel.

<sup>9</sup> This amount reflects a reduction of \$1,065.00 (August 2007) representing a 50% discount of hourly rates for non-working travel.

**COMPENSATION BY PROJECT CATEGORY**  
**JULY 1, 2007 THROUGH SEPTEMBER 30, 2007**

<b><u>Project Category</u></b>	<b><u>Total Hours</u></b>	<b><u>Total Fees</u></b>
Case Administration	33.70	\$5,421.00
Compensation of Professionals-Orrick	85.20	\$20,985.00
Compensation of Professionals-Other	40.30	\$6,910.00
Insurance Matters	3.00	\$2,310.00
Litigation	2,271.20	\$1,082,578.00
Plan & Disclosure Statement	303.90	\$187,479.50
Travel Time (Non-Working)	56.40	\$13,244.75
<b>TOTAL</b>	<b>2,793.70</b>	<b>\$1,318,928.25</b>

**EXPENSE SUMMARY**  
**JULY 1, 2007 THROUGH SEPTEMBER 30, 2007**

<b><u>Expense Category</u></b>	<b><u>Total</u></b>
Court Call – conferencing services	\$1,152.50
Document Technologies, Inc.	\$9,713.36
Duplicating	\$40,201.63
Evans Reporting	\$48.75
Experts: Fees and Expenses	\$390,063.28
Gore Brothers Reporting & Video Co	\$519.80
Hotel	\$19,589.76
Meals	\$1,556.00 <sup>10</sup>
Mileage	\$137.52
National Depo	\$3,422.50
Pacer	\$1,663.68
Parcels	\$25.20
Parking	\$144.00
Postage/Express Delivery	\$6,406.33
Publications re Testifying Experts	\$156.38
Secretarial Overtime	\$152.59
Telephone	\$164.32
Travel – Airfare/Train	\$4,954.80
Travel - Taxi	\$1,290.12
Westlaw and Lexis Research	\$24,967.75
Williams Lee Inc.	\$3,082.08
<b>TOTAL</b>	<b>\$506,330.27</b>

Orrick's Client Charges and Disbursements Policy effective January 1, 2007, are as follows:

a. ***Duplicating*** -- It is Orrick's practice to charge all clients of the Firm for duplicating at the in-house rate of 20¢ per page; however, Orrick has reduced the duplicating cost to 15¢ per page in order to comply with the Local Rules of this Court. This charge includes

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10 Orrick has reduced its charges for meals by \$156.45 consistent with the Fee Auditor's guidelines. Attached as Exhibit D is a list of all meal charges over \$15.00 and the voluntary reductions.

the cost of maintaining the duplicating facilities and the actual cost involved with respect to the duplication.

b. ***Long Distance Telephone and Facsimile Charges*** -- Orrick charges clients for long distance telephone calls but not for local telephone calls. Necessary mobile phone usage is reimbursed to professionals submitting an appropriate bill. Out-going facsimile transmissions are charged at \$1.50 per page, plus any long-distance calling cost, and there is no charge for incoming facsimiles.

c. ***Messenger and Courier Service*** -- It is Orrick's practice to use Federal Express or similar express mail delivery and third-party messenger services only in exigent circumstances (i.e., when needed to meet a deadline or when a next-day response from the recipient was necessary or beneficial to the case) and only when less costly than other available alternatives.

d. ***Overtime*** -- It is Orrick's practice to allow professionals and paraprofessionals working more than 3 hours of overtime to charge a meal to the appropriate client at a meal charge limited to \$7.50 per professional. It is Orrick's practice to allow professionals and support staff to charge a car service or cab to the appropriate client when working at least 2 hours of overtime. Orrick endeavored not to incur overtime charges unless necessary to benefit the case and in certain exigent circumstances. Orrick utilized secretarial assistance in connection with monitoring and updating case dockets and downloading, circulating and printing of pleadings filed in the case. Thus, certain charges were incurred by secretaries for overtime. (Note: These charges are at rates less than that charged by Orrick paralegals or other professional staff who may have otherwise performed this type of work.)

e. ***Computerized Research*** -- It is Orrick's practice to use computer-assisted legal research when it is efficient to do so. The charge to clients for Lexis and Westlaw are based on retail rates that do not include non-client specific volume discounts offered to Orrick. Use of fee based internet research services other than Lexis and Westlaw is charged at Orrick's cost. There is no separate charge for other internet research.

Respectfully submitted,

ORRICK, HERRINGTON & SUTCLIFFE LLP

By:



Roger Frankel, admitted *pro hac vice*

Richard H. Wyron, admitted *pro hac vice*

Columbia Center

1152 15th Street, N.W.

Washington, DC 20005

(202) 339-8400

Co-Counsel to David T. Austern, Future Claimants' Representative

Dated: January 11, 2008